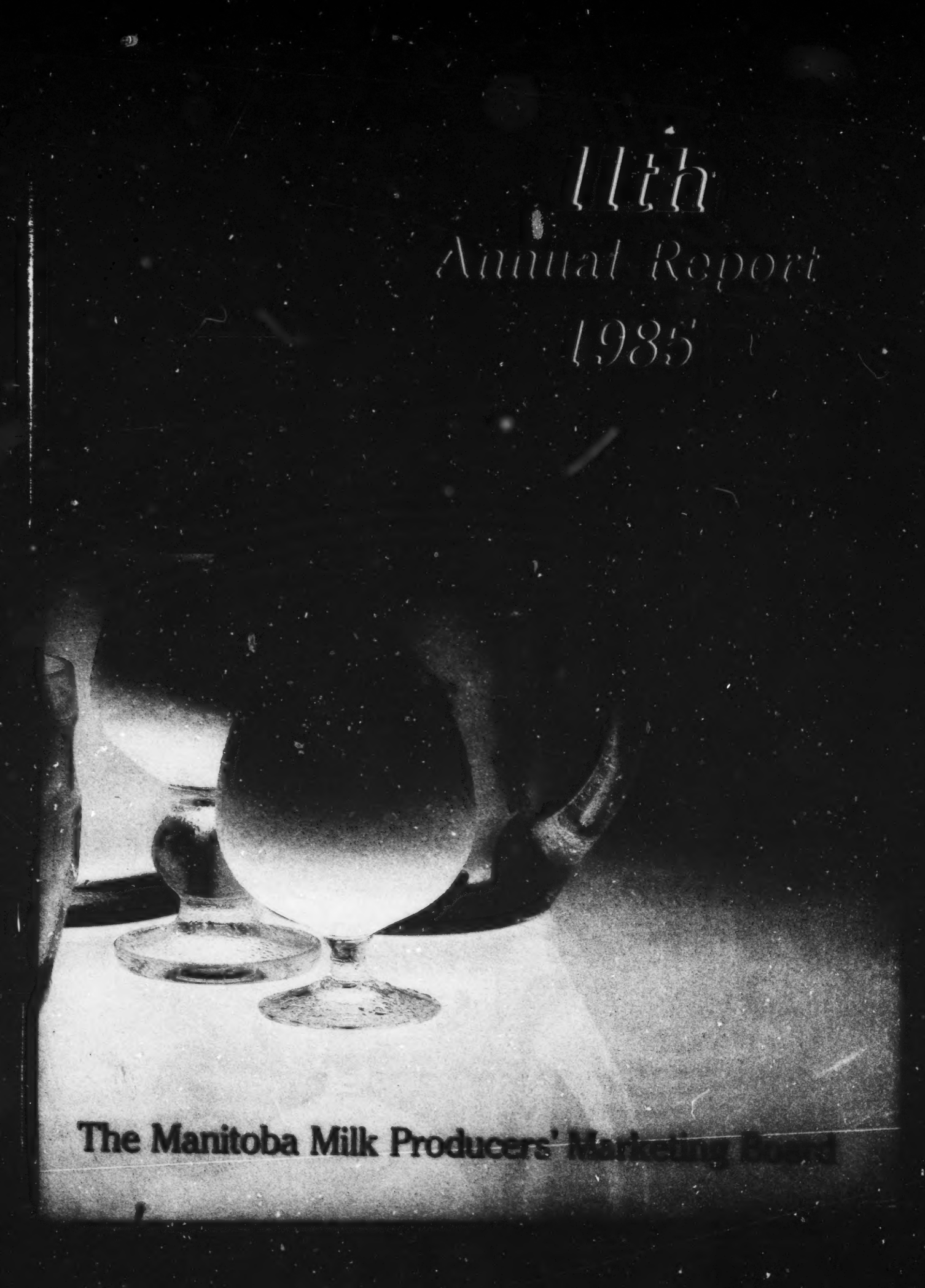
11th Annual Report 1985



The Manitoba Milk Producers' Marketing Board

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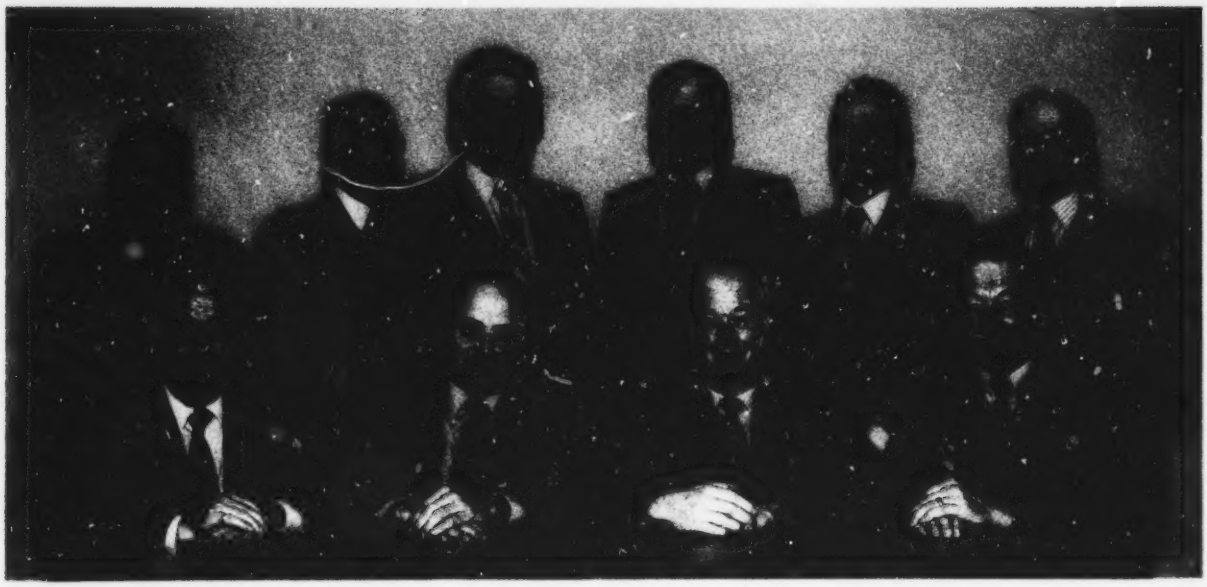
BOARD OF DIRECTORS



SEATED: (l to r) C. W. Vincent, L. Balcaen, A. V. Rampton, J. van den Ham

STANDING: (l to r) A. Goresky, G. R. Krebs, C. Finnie, Reinhard Dueck, C. J. Knockaert, J. D. Wilton

EXECUTIVE:		**District No.**
Chairman	— A. V. Rampton, Dauphin	1
Vice-Chairman	— L. Balcaen, La Broquerie	8
Executive Member	— J. van den Ham, Brandon	2
MEMBERS:	— Reinhard Dueck, Kleefeld	9
	— C. Finnie, Portage la Prairie	3
	— A. Goresky, Stonewall	5
	— C. J. Knockaert, Bruxelles	4
	— G. R. Krebs, Beausejour	6
	— J. D. Wilton, Carman	7

GENERAL MANAGER: — C. W. Vincent, Winnipeg

The Manitoba Milk Producers' Marketing Board Districts

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INTRODUCTION

This Eleventh Annual Report of The Manitoba Milk Producers' Marketing Board outlines the many activities conducted during the 1984-85 dairy year which ended July 31.

Certainly the decision of the Manitoba Milk Prices Review Commission to raise the producer price on Class I milk two cents per litre on February 4, 1985, was a welcome adjustment and provided a much needed increase for fluid milk. However, the $1.03 per hectolitre announced in Ottawa mid-August of this year in the target-for-returns to producers for industrial milk was below what Dairy Farmers of Canada had been advocating.

We have, again, enjoyed a modest increase this dairy year in fluid sales over last year. Again, much credit here involves all fluid milk promotion areas since many provinces in Canada either experienced no increase or a drop in fluid sales. Industrial milk sales dropped 0.4% across Canada which was not as much as anticipated earlier in the year.

While the over-quota levies have increased twice over the past year your Board was pleased to be able to keep the in-quota levy at $5.14 per hectolitre for the past two years 1983-84 and 1984-85. This levy is also being maintained for most of the industrial quota for 1985-86.

Your Board has reviewed and changed transportation charge policy this past year. This decision was largely influenced by anticipated processing plant closures, coupled with the desirability of maintaining dairy production across the entire province. Incidentally, late in the year, plants at Pilot Mound and Rossburn did close.

Board members have continued their activities as members of various national committees including the Canadian Milk Supply Management Committee and the National Milk Recording Committee. As well, the Board has continued its work as members of the Boards of Directors of the Dairy Bureau of Canada and the Dairy Farmers of Canada. Board members have also been quite active with Keystone Agricultural Producers.

Administration and control of milk marketing in Manitoba continues as the major Board responsibility.

THE MANITOBA MILK PRODUCERS' MARKETING BOARD
STANDING ADVISORY COMMITTEES

EXECUTIVE: A. V. Rampton, L. Balcaen, J. van den Ham

COST OF PRODUCTION
L. Balcaen
Reinhard Dueck
C. J. Knockaert
A. V. Rampton

CREAM
L. Balcaen
A. V. Rampton
P. Ginter
F. Kolesar
P. Leochko
J. Wityshyn

DAIRY PROMOTION
A. Goresky
G. R. Krebs
A. V. Rampton
J. van den Ham
M. E. Adam
B. L. Fraser
A. J. Gale
P. A. McCarthy
C. W. Vincent

FINANCE
L. Balcaen
A. V. Rampton
J. D. Wilton

MARKET SHARE QUOTA
A. V. Rampton
J. van den Ham
C. W. Vincent
F. Kolesar
G. H. MacKenzie

PROCESSOR RELATIONS
Reinhard Dueck
C. Finnie
A. V. Rampton
J. van den Ham

SUPPLY & ALLOCATION
Reinhard Dueck
C. Finnie
C. J. Knockaert
A. V. Rampton

TRANSPORTATION
C. Finnie
A. Goresky
G. R. Krebs
A. V. Rampton
J. Mcurant
G. Tetrault

AFFILIATED ORGANIZATIONS

CANADIAN MILK RECORDING
L. Balcaen

CANADIAN MILK SUPPLY MANAGEMENT
A. V. Rampton
J. van den Ham
C. W. Vincent

DAIRY BUREAU OF CANADA
A. V. Rampton

DAIRY FARMERS OF CANADA
L. Balcaen
A. V. Rampton

KEYSTONE AGRICULTURAL PRODUCERS
A. V. Rampton
J. D. Wilton

MANITOBA AGRICULTURAL EMPLOYMENT DEVELOPMENT
C. Finnie
G. R. Krebs

MANITOBA MILK RECORDING
L. Balcaen
Reinhard Dueck

D.F.C. - NATIONAL CO-OPERATIVE DAIRY CATTLE BREEDING PROJECT
L. Balcaen

BOARD MEETINGS

During the twelve months ending July 31, 1985 a total of 22 regular meetings of the Board were convened. Since a number of the meetings held were of more than one day's duration, in all a total of 36 days were involved. Many additional days of Members' time were taken up in attendance at meetings of the various committees of the Board and of other organizations with which the Board is affiliated.

DISTRICT MEETINGS

During the month of April 1985, a total of 14 meetings in the various milk producing areas of the Province were held by the Board and attended by one or more Board Members. In addition, as stipulated in the Administration By-Law No. 1 of the Board, an Annual District Meeting was held during the period October 1st to the 20th, 1985 in each of the 9 electoral districts into which the Province is divided for Board purposes. The Notice of Meeting mailed to producers is reproduced on the following page.

DISTRICT ELECTIONS

Nominations were called during October, 1984 for Board Members to represent Districts No. 1, 4, and 7. In District No. 1, Mr. A. V. Rampton was re-elected by acclamation. Elections were held in Districts No. 4 and 7 respectively. Mr. C. J. Knockaert was elected to represent District No. 4 and Mr. J. D. Wilton was re-elected to represent District No. 7.

Whereas terms of office for Board Members representing Districts No. 2, 5, and 8 expire in December of this year, nominations have been called for these districts. At the time of printing, an election has not taken place.

TELEPHONE
786-8063

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

#104 - 1580 DUBLIN AVENUE
WINNIPEG, CANADA
R3E 0L4

NOTICE OF ANNUAL DISTRICT MEETINGS 1985

Annual District Meetings of The Manitoba Milk Producers' Marketing Board will be held at 8:00 P.M. on the dates listed below:-

District 1	Friday October 11	DAUPHIN, Manitoba Manco Plant
District 2	Friday October 18	BRANDON, Manitoba Agricultural Extension Centre
District 3	Wednesday October 9	PORTAGE LA PRAIRIE, Manitoba Westward Village Inn 2401 Saskatchewan Avenue
District 4	Thursday October 10	BRUXELLES, Manitoba Parish Hall
District 5	Monday October 7	TEULON, Manitoba Teulon-Rockwood Centennial Centre
District 6	Thursday, 1:00 P.M. October 17	BEAUSEJOUR, Manitoba Beausejour Town Hall 639 Park Avenue
District 7	Thursday October 3	WINKLER, Manitoba Friendship Centre
District 8	Wednesday October 16	LA BROQUERIE, Manitoba La Broquerie Recreation Centre Hall
District 9	Tuesday October 15	GRUNTHAL, Manitoba Green Valley School Library

ELECTIONS FOR BOARD MEMBER will be conducted this year in Districts No. 2, 5 and 8. Official nomination papers are available on request from the Secretary or may be obtained at the time of the meeting in the districts in which an election is to be held.

The following subjects will be discussed plus any that you wish to raise. We hope to have an additional staff member attend to add further interest to the meetings.

1. Introduction
2. Minutes of Previous Meeting
3. T.A.P.
4. Annual Meeting Attendance
5. Dairy Promotion Levy
6. Transportation
7. Other Business

In the event it is inconvenient for you to attend the Annual District Meeting scheduled for your area, you are welcome to attend any other Annual District Meeting.

Dated at Winnipeg in Manitoba this 23rd day of September, 1985.

THE MANITOBA MILK PRODUCERS' MARKETING BOARD
104 - 1580 DUBLIN AVENUE
WINNIPEG, MANITOBA
R3E OL4

APPENDIX "A"

Pursuant to Section 1 of this Administration By-Law the following nine districts are established composed of the Municipalities hereinafter set out opposite the number of each district.

District #1

Alonsa
Archie
Birtle
Blanshard
Boulton
Clanwilliam
Consol
Dauphin
Ellice
Ethelbert
Gilbert Plains
Glenella
Grandview
Hamiota
Harrison
Hillsburg
Lawrence
McCreary
Miniota
Minitonas
Minto
Mossey River
Mountain #1
Mountain #2
Ochre River
Odanah
Park 1
Park 2
Rosedale
Rossburn
Russell
Ste. Rose
Saskatchewan
Shellmouth
Shell River
Shoal Lake
Silver Creek
Strathclair
Swan River
The Pas District

District #2

Albert
Arthur
Brenda
Cameron
Cornwallis
Daly
Edward
Elton
Glenwood
Morton
North Cypress
Oakland
Pipestone
Riverside
Sifton
Wallace
Whitehead
Whitewater
Winchester
Woodworth

District #3

Cartier
Grey
Lakeview
Langford
Lansdowne
North Norfolk
Ptge. la Prairie
Westbourne

District #4

Argyle
Dufferin
Lorne
Louise
Pembina
Roblin
South Cypress
South Norfolk
Strathcona
Thompson
Turtle Mountain
Victoria

District #5

Armstrong
Bifrost
Coldwell
Eriksdale
Fisher
Gimli
Grahamdale #1
Grahamdale #2
Rockwood
St. Laurent
Siglunes
Woodlands

District #6

Alexander
Brokenhead
Lac Du Bonnet
McDonald
Pinawa
Reynolds
Richot
Rosser
St. Andrews
St. Clements
St. Francois Xavier
Springfield
Victoria Beach
Whitemouth
Winnipeg Area

District #7

Franklin
Montcalm
Morris
Rhineland
Roland
Stanley

District #8

La Broquerie
Piney
Ste. Anne
Stuartburn
Tache

District #9

De Salaberry
Hanover

CREAM PRODUCTION

The Market Share Quota (M.S.Q.) held by individual cream producers effective July 31, 1985, was cut back 5.69% for the new dairy year commencing August 1, 1985. Cream producers whose annual M.S.Q. was 300 kg of butterfat or less were exempt from this cutback. Cream producers in the Province of Manitoba have been on a "fixed" quota system since October 31, 1983. Some new cream producers however, were allocated cream M.S.Q. during the period September 1, 1984 to January 15, 1985.

The "special block" of M.S.Q. for cream producers for the 1984-85 dairy year was set at 1,160,000 kg of butterfat M.S.Q. This figure reflects a 1% decrease in provincial M.S.Q. January 1, 1985. By year-end, 1,894 registered cream producers produced 1,153,015 kg of butterfat for a provincial utilization of cream M.S.Q. of 99.4%.

Due to high utilization of cream M.S.Q. during the latter half of the dairy year, cream M.S.Q. transfers were suspended April 1, 1985 for the balance of the dairy year (re-instated August 1, 1985). Also, for the same reason, most cream M.S.Q.'s were adjusted temporarily commencing on April 1, 1985, for the balance of the dairy year with those cream producers having a low utilization of M.S.Q. having an adjustment downwards in M.S.Q. and those cream producers having almost filled their M.S.Q. were given small increases. On August 1, 1985, all the M.S.Q. held by individual cream producers was re-instated to levels held April 1, 1985.

Many cream producers were assessed over-quota levy during the 1984-85 dairy year however, when total production was determined to be within Manitoba's cream block, all producers received refunds on all over-quota deductions up to and including July 31, 1985.

A service charge promotion levy of 2¢ per kg of butterfat was assessed to cream producers effective August 1, 1985, to go towards promotion of butter.

MARKET SHARE QUOTA

For the new dairy year, commencing August 1, 1984, Manitoba's initial share of Market Share Quota (M.S.Q.) was set at 6,693,000 kg of butterfat. However, to keep the in-quota levy at $5.14 per HL, Manitoba opted to produce only 97.6% of total M.S.Q. or 6,532,000 kg of butterfat. After subtracting the special block of cream quota from total usable M.S.Q., this left 5,360,000 kg for industrial milk production or 146,849,315 litres. By adding the estimated fluid sales of 110,000,000 litres, this allowed a provincial T.A.P. of 256,849,315 litres or approximately 704,000 litres per day.

On January 1, 1985, all provinces' share of M.S.Q. was reduced 1% which reduced Manitoba's total usable T.A.P. to 697,000 litres per day. Due to the reduction being in the middle of the dairy year and higher utilization of milk quotas, Manitoba was forced to cut T.A.P. held by milk producers 2% in January, 1985 and a further 3% in February, 1985.

For the quota period commencing August 1, 1985 Manitoba's share of M.S.Q. was set at 6,516,000 kg of butterfat (1.6% decrease from August 1, 1984), the sum of which was arrived at as follows: Canadian requirements 6,273,000 kg; special export 243,000 kg.

For the new dairy year, commencing August 1, 1985, estimates were made as follows:-

Total M.S.Q. - Manitoba	6,516,000
Reserved for cream production	1,153,000
Balance available for industrial milk production	5,363,000

5,363,000 kg of butterfat, with an estimated test of 3.65 kg per HL of milk, will allow Manitoba to produce 146,931,507 litres of industrial milk, add estimated fluid sales of 110,253,124 for a total of 257,184,631 litres of milk or 704,615 litres per day.

Milk producers were re-instated approximately one half of the T.A.P. taken from them last dairy year effective August 1, 1985.

NATIONAL DAIRY POLICY

Agriculture Minister John Wise on August 15, 1985, announced an increase in the target price for industrial milk and in Federal support prices for butter and skim milk powder.

Effective August 16, 1985, the Target Returns level for industrial milk and cream production is $45.68 per HL for milk for Canadian requirements.

The Canadian Dairy Commission has been authorized to increase Federal support prices for butter to $4.929 per kg and $2.922 per kg for skim milk powder. The new Target price for industrial milk with 3.6 kg butterfat per HL is 2.3% above the previous price of $44.65. This increase of $1.03 per HL is the amount indicated by the Returns Adjustment Formula through the second quarter of 1985.

Federal support prices for butter and skim milk powder are being raised 14.5 cents (3.0 per cent) and 7.2 cents (2.5 per cent) per kg, respectively, also effective August 16, 1985.

The Target Returns level for industrial milk and cream is calculated according to the Returns Adjustment Formula established in 1975, which measures changes in farmers' cash costs and other factors. The Target Returns level is used as a guide by provincial milk marketing agencies when setting prices for industrial milk and cream in their provinces.

The National Market Sharing Quota (M.S.Q.) was set at 46.6 million HL for the 1985-86 dairy year commencing August 1, 1985. This is a reduction of 1.6% nationally from last year's quota level, due mainly to the lowering of the Special Export quota from 2.2 to 1.726 million HL.

The extent of participation in the Special Export Program is optional for each province and for each producer.

In Manitoba, the over-quota levy on the first 1% over a milk producer's T.A.P. is $30.00 per HL and a production in excess of 1% over T.A.P. is $38.00 per HL on milk at 3.6 kg of butterfat. Over-quota levy for cream is $4.00 per kg butterfat.

Mr. Wise announced these interim measures would remain in effect pending the establishment of a long term dairy policy.

REVIEW OF MILK PRODUCTION AND MARKETING

Manitoba milk production reached a record 263,000,000 litres, an increase of 1,500,000 litres over the previous dairy year. It is worthy to note, Manitoba production is less seasonal than other Provinces in Canada. Our average milk production per month was 21,900,000 litres with a low in Febrary 1985 of 20,900,000 and a high in January 1985 of 23,300,000 litres. Out of province shipments during the year were 456,000 litres. Average butterfat test for Manitoba milk production was 3.64%. Manitoba milk producers shipped 7,000,000 litres of over-quota milk by year end. None of the over-quota levy was refundable with the provincial allotment of M.S.Q. being utilized 100%.

Markets for dairy products were quite slow at the start of the dairy year but improved in the last half of the year to the extent consumption showed improvement in some areas.

The Canadian Dairy Commission's cost of production formula resulted in the following change to the "target" value for industrial milk ($44.65 HL August 1, 1984):

August 16, 1985 $1.03 HL to $45.68 HL

Support prices on powder and butter were increased on the above date resulting in a higher market price for the products manufactured within Classes II - VII. An increased charge to the processors for milk used in these products provided additional revenue to the pool and a higher payout to producers.

TRANSPORTATION

One major change affecting transportation during the past year was plant closures. On March 31, 1985, Manitoba Dairy Co-operative closed their fluid operation in Dauphin, transferring this operation to their Brandon plant. On April 18, 1985, the Manco cheese plant in Pilot Mound was closed with this milk re-assigned to the plant in Winkler. The Manco cheese plant in Rossburn was closed July 17, 1985, with the milk supply directed to Dauphin. Plant closures require Board decisions concerning re-allocation of milk supplies and associated additional costs. Board staff were kept busy during periods preceding these closures quantifying

the financial impact of circumstances associated with these particular closures. The cost of moving milk escalated dramatically when these closures took place.

It was reported at last year's annual meeting that alternate methods of freight charges were being studied. These studies primarily involved computer models, resulting in Board acceptance of a modified pooling concept. This system reflects the economies of scale produced by volume, as well as taking into account the fact that distance produces added costs. This new charge structure became effective August 1, 1985, and also has a "zero-proof" feature which means the transportation pool will have neither a surplus nor deficit, since only monies required to pay transportation costs will be charged.

Transporters received increases in fuel allowances on December 1, 1984, of 1.3% and on April 1, 1985, of 1.0%. The Bulk Milk Haulers Committee of the Manitoba Trucking Association presented their increased cost estimates on behalf of the transporters in late May of 1985. These estimates were evaluated by the Board's transportation consultant who also prepared a set of recommendations for the Board's consideration. These recommendations were largely adopted, although proposed increases were limited for some components. Transporters were granted an average increase of approximately 3.8% on August 1, 1985. It should be noted this increase was lower than the M.T.A. estimates or the consultant's recommendation. The Board also adopted a refinement of the Transporter Rate Formula proposed by the Board's consultant as it relates to the administration component, which alleviated some existing disparities.

The Board's successful commitment to providing an efficient, high quality transportation service is recognized when it is noted that costs have increased only 5.8% on the average in the past five years. This commitment to cost efficiency will remain a priority of the Board in the future as other methods and alternatives of keeping transportation costs from escalating rapidly are explored.

The Board acknowledges and appreciates the commitment and support of bulk milk transporters and drivers in achieving an efficient transportation system.

FLUID MILK ADVERTISING AND PROMOTION

"Irreplaceable Milk" teen campaign television commercials, produced by the Ontario Milk Marketing Board, were purchased for the Manitoba market from September, 1984 to June, 1985. Complementary programs were developed with the "Irreplaceable" theme. For radio, the "Irreplaceable Who?" contest employed the musical component of the television commercial and in the newspaper the set of the television commercial advertised our search for five Irreplaceable persons. The five winners were featured in newspaper advertisements describing their claim to fame. This newspaper and radio campaign overlapped the closing months of the television buy and continued for an additional six weeks beyond the television campaign.

In January through March the osteoporosis campaign, primarily designed for women 25 - 55 years of age, was launched on the radio and in the newspaper. Although the heaviest purchases were with CJOB radio and the Winnipeg Free Press, we later extended to rural radio and the provincial community newspapers. This campaign was pre and post-tested among the target group by an independent research organization. Their findings suggest that additional advertising will be necessary regarding osteoporosis and calcium nutritional requirements. In general, the research reiterated earlier findings that approximately 45% of females between 35 and 55 years of age are non-drinkers of milk. Promoting milk as an ingredient and in other forms such as cheese, yogurt, etc., justifiably should be incorporated in our marketing plans.

Milk's Super Seminar, sponsored by the Dairy Bureau of Canada and the Board, was a one-day event for amateur sports in the province. Amateur athletes, coaches, development directors, parents and the sports media, took part in sessions on nutrition and sports psychology as well as the feature luncheon with Gaétan Boucher and special guests. Twenty thousand dollars were donated to sports in the form of ten prizes of two thousand dollars along with ten CPAIR passes which allowed the ten sports to organize special clinics of their own. With Gaétan Boucher in Winnipeg, we held a special press reception, a luncheon with top junior and senior high school students, a skate with Gaétan Boucher for School Division No. 1 speed skaters and a wine and cheese for Gaétan with the Speed Skating Association.

FLUID MILK ADVERTISING AND PROMOTION continued

The summer restaurant campaign "Good Stuff Beautiful Milk" incorporated a media buy in radio and outdoor billboards with only radio advertising the milk spotter program. Two students were employed from June through August to visit restaurateurs with informational kits and point-of-sale materials such as posters, milk dispenser decals, table tents and pins. Winnipeg restaurant visits totalled 297, with an additional 169 restaurants visited in 32 towns for a total of 466. Joy MacGregor of Winnipeg was "spotted" drinking milk at the Manitoba Hydro cafeteria where she works. Mrs. MacGregor won the grand prize - a Pontiac Sunbird convertible. Her name was drawn on CKY-TV "Today's World" by host Ray Torgrud and later that week she received her prize on the television show.

Several annual promotions are planned with participating marketing boards and producer associations, co-ordinated by the Department of Agriculture, Marketing Branch. These events include three day mall promotions in Winnipeg, Steinbach, Brandon and Brandon Fair.

Television cooking segments on CKND-TV are continuing on a less than regular basis however, we are arranging more events with CKY-TV which has a larger viewing audience.

We participated in Centrex '85 in October, the hotel and restaurant suppliers' show. "Good Stuff Beautiful Milk" was the theme, complete with the point-of-sale materials used in the summer restaurant campaign. A booth on cheese shared jointly with the Dairy Bureau of Canada, distributed award-winning food service cheese recipes from the Bureau's recipe contest.

The 1986 Calendar, developed by the Ontario Milk Marketing Board, was purchased by our Board for distribution in Manitoba through the Winnipeg Free Press.

Radio tapes are prepared monthly on various aspects of the dairy industry for the rural radio stations through Queen's Printer.

Promotional items and printed materials are distributed to many community groups upon request.

NUTRITION EDUCATION

1985 marks the tenth year of nutrition education programs sponsored by Manitoba milk producers in this province. Our program has grown and changed a great deal since its inception in 1975. What began as an in-service for elementary teachers has grown to include programs for daycare and pre-school workers, junior and senior high school teachers, as well as many education professionals in the community such as dieticians, nurses, Guide leaders, 4-H leaders, fitness instructors and team coaches.

The programs we offer do more than promote good nutrition and offer related teaching resources. Because the consumption of milk and milk products is implied in good nutrition programs, we also educate participants about nutritious dairy products.

Our nutrition workshops are designed for teachers rather than students. The rationale for offering workshops to educators rather than making classroom presentations is based on the "multiplier" effect, i.e. if we reach twenty teachers (rather than twenty pupils) at an in-service, who each have twenty pupils, the potential exists for four hundred individuals to benefit from that one workshop.

Our school-based programs continue to be successful with over eighty in-services presented throughout Manitoba this year. In addition, we have experienced an increase in requests for nutrition workshops from fitness professionals and sports groups. Sport interest is one positive result of the nutrition program offered at "Milk's Super Seminar" for Sport with Olympic Speed Skater, Gaétan Boucher, in February, 1985.

As of September, 1985, we are offering a one-day in-service for fitness instructors called "Nutritious Way to Fitness". Similar to the teachers' in-service, this program makes each participant a potential nutrition resource - fitness instructors may meet in excess of one hundred people per week. As well as teaching basic nutrition, they are well equipped with information to dispel nutrition myth which may include dairy products - as well as to deliver advice about the importance of milk products in health issues such as preventing osteoporosis.

NUTRITION EDUCATION continued

We are presently developing a community education program on osteoporosis. The disease, which involves insufficient calcium in bone structure, can be prevented by a variety of factors - one of the most important being adequate calcium in the diet (milk products are definitely the best source!). We expect to see a great deal of interest in the osteoporosis program.

As each year passes we reach yet another segment of the population with nutrition material and information on the importance of dairy products. In a decade where people are increasingly interested in health issues, we should see our nutrition education reflected in a healthier population of milk drinkers.

SCHOOL MILK PROGRAM

This has been a busy and rewarding second year for our Manitoba School Milk Program. The program at present is designed to cover the entire school system from kindergarten to grade 12 and is divided into two segments:

1) A K-6 program for Elementary Schools and
2) The milk spotter's program for Junior and Senior High Schools.

Both programs have been designed to run for the entire school year.

Through a well developed, creative promotional campaign, the school milk program emphasizes both the fun and nutritional value of milk.
We completed the 1984-85 school year with a total of 219 schools participating in our school milk program. 94 schools participated at the elementary level and 125 schools took part at the junior/senior high level.

The school milk program has witnessed a significant increase in the consumption of milk through participation in the program.
For this year we have launched a new elementary program entitled "Draw on Milk". The program is designed to both establish and maintain a total "Milk Presence" in the school. Participating students are encouraged to increase their milk consumption by rewarding them with a series of stickers, poster, milk badge, toothbrush and a final graduation pin awarded in June. We are pleased to be able to offer our new elementary program in both English and French and we look forward to a significant

increase in participation level of both our French immersion and dual track schools.

At the junior/senior high school level, we will once again sponsor the popular "Irreplaceable Milk" contest. This year's contest has two segments. Segment I concentrates on a winter theme and segment II on a spring/summer theme.

Students are appointed official milk spotters, roaming the school at lunch hour and randomly spotting students drinking milk. Each student spotted will receive a Scratch n' Win ticket. This year students have a one in five chance of being an instant winner.

Segment I - Instant Winner Prizes to be won:

- AM Headphones
- Clicker Pens
- Toques
- Footbags
- "Irreplaceable Me" Buttons
- Neck Warmers
- Cassette Tapes

Segment II - Instant Winner Prizes to be won:

- Irreplaceable Designer Sunglasses
- Key Tags
- Collector's Legionnaire Hats
- Air Mattress
- Cassette Tapes
- "Irreplaceable Me" Buttons

This year we have modified our consumption contest by introducing the contest to elementary schools as well as junior/senior high schools. Awards will be presented twice during the year to one city school and one rural school consuming the most milk per capita.

We are pleased to report the refrigeration program has enjoyed a tremendous success over the past two years. The first year the refrigeration units were made available to our Manitoba schools, 24 units were sent out - 22 of these units were purchased by the end of the school year thus enabling us to purchase an additional 25 units for other schools wanting to participate in the program.

The milk producers of Manitoba should once again be gratified with both the success of the school milk program as well as with the enthusiastic support our program has received from teachers, students and parents alike.

AUDIT PROGRAM

During the years since the inception of the Milk Marketing Board, the audit review has observed changes in the dairy industry. The conversion to the metric system in 1978 was one major change and computerization was another. New marketing tools such as product presentation and new package sizes for the type of milk products being sold, were introduced to attract a broader market.

These changes not only affected the marketing aspects but also, the accounting and processing procedures within the plant. The audit department must keep up with these changes by continually analyzing, reviewing and updating the program to insure correct reporting of milk utilization into the proper classifications.

The procedures, standards, and tests used by the audit department are duly examined by the Board's auditors and have been found to be in accordance with generally accepted accounting techniques.

COMPUTER OPERATIONS

In the year under review, the Data Processing Department continued to expand the use of the NCR 9020-4 computer in the Board offices. Screen displays were added showing the infraction penalty information for milk producers which can be used by Board staff from any of the terminals.

At the commencement of the 1985-86 quota period on August 1st last, a screen image was developed to show the complete milk producer transactions for the 1984-85 period which has been very helpful in replying to producer requests for information.

The cream producer screen information has been expanded to show three years of deliveries to assist the staff in monitoring this area.

Extensive simulations were run to assist in the development of the new transportation producer charge system when forming the Board policy in this area.

MAY & EILER
CHARTERED ACCOUNTANTS
WINNIPEG AND ALTONA
MANITOBA

W. C. MAY, C.A.
L. K. EILER, B.A., C.A.

AUDITORS' REPORT

To the Registered Producers of The Manitoba
Milk Producers' Marketing Board:

We have examined the statement of financial position of The Manitoba Milk Producers' Marketing Board as at July 31, 1985 and statements of operations of milk pool, administrative, transportation, promotional and northern allowance funds and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the Board as at July 31, 1985 and the results of its operations and the changes in its financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

May & Eiler

Chartered Accountants

Winnipeg, Manitoba
September 11, 1985

EXHIBIT A

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF FINANCIAL POSITION

AS AT JULY 31, 1985

	1985	1984
CURRENT ASSETS:		
Cash	$ 4,790,376	$ 3,665,831
Accounts receivable	9,195,119	9,455,910
Prepaid expenses	99,196	109,951
Total current assets	14,084,691	13,231,692
CURRENT LIABILITIES:		
Producer cheques - unissued	7,990,968	7,863,556
Accounts payable and accrued liabilities	4,626,425	3,718,048
Total current liabilities	12,617,393	11,581,604
WORKING CAPITAL	1,467,298	1,650,088
OFFICE EQUIPMENT AND IMPROVEMENTS -		
at cost	228,833	220,340
Less accumulated depreciation	139,358	107,541
Net office equipment and improvements	89,475	112,799
REGISTERED PRODUCERS' EQUITY AND CAPITAL EMPLOYED	$ 1,556,773	$ 1,762,887
Represented by retained income (deficit) in following Funds:		
Milk Pool Administration (Exhibit C)	$ 1,725,555	$ 1,867,321
Board General (Exhibit C)	(397,872)	(317,081)
Market Sharing Plan (Exhibit C)	(66,249)	(75,800)
Transportation (Exhibit D)	254,668	271,793
Promotional (Exhibit E)	16,542	-
Northern Allowance (Exhibit F)	24,129	16,654
	$ 1,556,773	$ 1,762,887

Approved by the Members

EXHIBIT B

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF MILK POOL FUND OPERATIONS

FOR THE YEAR ENDED JULY 31, 1985

	1985	1984
INCOME:		
Milk sold to processors.....	$116,219,192	$109,546,851
Total income.....	116,219,192	109,546,851
DISTRIBUTION:		
Payments to producers:		
Net payments to producers.....	98,073,397	93,094,827
Deductions for Board controlled Funds -		
Milk Pool Administration (Ex. C).....	126,233	125,521
Board General (Ex. C).....	507,694	350,413
Market Sharing Plan (Ex. C).....	214,990	137,167
Promotional (Ex. E).....	1,226,712	1,104,257
Transportation (Ex. D).....	4,990,309	4,944,549
Northern Allowance (Ex. F).....	72,058	71,652
Deductions determined by others:		
Canadian Dairy Commission.....	10,496,741	9,303,515
Manitoba Milk Producers Co-op Inc.....	98,951	60,703
Other deductions:		
Quality penalty levy (Ex. C).....	73,797	84,830
Cheese freight assistance program.....	-	(7,615)
Total distribution to producers....	115,880,882	109,269,819
Payments to other marketing boards:		
Ontario Milk Marketing Board.....	336,182	275,657
Deductions for Board controlled funds:		
Pool Administration (Ex. C).....	424	363
Board General (Ex. C).....	1,704	1,012
Total distribution to others.....	338,310	277,032
Total distribution.....	116,219,192	109,546,851
UNDISTRIBUTED INCOME BEFORE UNDERNOTED	-	-
UNRECOVERABLE DISTRIBUTION		
Canadian Dairy Commission assessment for provincial share of 1984 levy deficit..	-	187,105
Appropriation from Milk Pool Administration.	-	187,105
	-	-
UNDISTRIBUTED INCOME AT BEGINNING AND END OF THE YEAR	$ -	$ -
VOLUME OF MILK (000's of litres)	263,869	262,257

EXHIBIT C

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF ADMINISTRATIVE FUNDS OPERATIONS

FOR THE YEAR ENDED JULY 31, 1985

	Milk Pool Administration	Board General	Market Sharing Plan	Total 1985	Total 1984
INCOME:					
Deductions (Ex. B)					
Milk producers...	$ 126,233	$507,694	$214,990	$ 848,917	$ 613,101
Other boards.....	424	1,704	-	2,128	1,375
Quality penalties	73,797	-	-	73,797	84,830
Cream producers....	-	-	44,971	44,971	30,170
Other income -					
Interest.....	-	-	-	-	495,084
Other.....	275	300	-	575	531
	200,729	509,698	259,961	970,388	1,225,091
EXPENSE:					
Data processing....	7,479	-	5,086	12,565	18,077
Depreciation.....	10,182	6,045	7,000	23,227	21,680
General operating..					
(Note 2).....	35,468	43,970	28,010	107,448	105,526
Members' per diem					
and travel.....	-	167,106	17,005	184,111	211,408
Memberships.....	-	21,046	-	21,046	26,595
Office occupancy...	27,359	16,385	18,638	62,382	58,300
Professional fees..	9,000	216,021	6,000	231,021	192,650
Grants.....	-	15,713	-	15,713	4,500
Salaries and					
benefits.....	253,007	104,203	168,671	525,881	485,964
	342,495	590,489	250,410	1,183,394	1,124,700
NET INCOME (LOSS) FOR THE YEAR.....	(141,766)	(80,791)	9,551	(213,006)	100,391
APPROPRIATION TO:					
PROMOTIONAL FUND...					(398,455)
MILK POOL FUND.....					(187,105)
RETAINED INCOME (DEFICIT) AT BEGINNING OF THE YEAR	1,867,321	(317,081)	(75,800)	1,474,440	1,959,609
RETAINED INCOME (DEFICIT) AT END OF THE YEAR.....	$1,725,555	$(397,872)	$(66,249)	$1,261,434	$1,474,440

EXHIBIT D

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF TRANSPORTATION FUND OPERATIONS

FOR THE YEAR ENDED JULY 31, 1985

	1985	1984
INCOME:		
Producer deductions (Ex. B)	$4,990,309	$4,944,549
Processor charges for diversions	2,042	2,569
Other freight charges to northern plants	45	233
	4,992,396	4,947,351
EXPENSE:		
Transporter payments -		
Assigned plant deliveries	4,898,130	4,682,052
Diversions	102,652	88,546
Extra pick-up	3,789	4,288
Professional fees	4,950	4,400
Other	-	320
	5,009,521	4,779,606
NET INCOME (LOSS) FOR THE YEAR	(17,125)	167,745
RETAINED INCOME AT BEGINNING OF THE YEAR	271,793	104,048
RETAINED INCOME AT END OF THE YEAR	$ 254,668	$ 271,793

EXHIBIT E

STATEMENT OF PROMOTIONAL FUND OPERATIONS

FOR THE YEAR ENDED JULY 31, 1985

	1985	1984
INCOME:		
Producer deductions (Ex. B)	$1,226,712	$1,104,257
Interest income	588,326	-
	1,815,038	1,104,257
EXPENSE:		
Advertising -		
Direct	103,247	-
Agency	225,749	71,374
Dairy Bureau of Canada	1,088,409	1,076,602
Depreciation	8,591	8,019
Market research	10,835	-
Members' per diem and travel	5,094	5,311
Occupancy	22,843	21,357
Office supplies	9,482	8,736
Postage and telecommunication	13,137	12,356
Printing	783	3,695
Promotional events and programs	48,153	15,199
Promotional materials	113,816	109,298
Salaries and benefits	131,271	149,679
Staff travel and meetings	13,737	15,227
Other	3,349	5,859
	1,798,496	1,502,712
NET INCOME (LOSS) FOR THE YEAR	16,542	(398,455)
APPROPRIATION FROM MILK POOL ADMINISTRATION FUND	-	398,455
RETAINED INCOME AT BEGINNING OF THE YEAR	-	-
RETAINED INCOME AT END OF THE YEAR	$ 16,542	$ -

EXHIBIT F

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF NORTHERN ALLOWANCE FUND OPERATIONS

FOR THE YEAR ENDED JULY 31, 1985

	1985	1984
INCOME:		
Producer deductions (Ex. B).....	$72,058	$71,652
EXPENSE:		
Payments to northern producers.....	64,583	63,950
NET INCOME FOR THE YEAR.....	7,475	7,702
RETAINED INCOME AT BEGINNING OF THE YEAR.....	16,654	8,952
RETAINED INCOME AT END OF THE YEAR.....	$24,129	$16,654

EXHIBIT G

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED JULY 31, 1985

	1985	1984
SOURCE OF WORKING CAPITAL:		
From operations -		
Net income of Funds -		
Milk Pool Administration	$ -	$ 379,861
Market Sharing Plan	9,551	-
Transportation	-	167,745
Promotional	16,542	-
Northern Allowance	7,475	7,702
	33,568	555,308
Depreciation	31,818	29,699
Loss on disposal of equipment	-	390
Total from operations and total source of working capital	65,386	585,397
USE OF WORKING CAPITAL:		
To operations -		
(Loss) of Funds -		
Milk Pool (unrecoverable distribution)	-	(187,105)
Milk Pool Administration	(141,766)	-
Board General	(80,791)	(199,983)
Market Sharing Plan	-	(79,487)
Transportation	(17,125)	-
Promotional	-	(398,455)
Total to operations	(239,682)	(865,030)
Purchase of equipment	8,494	93,613
Total use of working capital	248,176	958,643
(DECREASE) IN WORKING CAPITAL FOR THE YEAR	(182,790)	(373,246)
WORKING CAPITAL AT BEGINNING OF THE YEAR	1,650,088	2,023,334
WORKING CAPITAL AT END OF THE YEAR	$1,467,298	$1,650,088

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

NOTES TO FINANCIAL STATEMENTS

JULY 31, 1985

1. Summary of Activities and Significant Accounting Policies:

The Manitoba Milk Producers' Marketing Board is responsible under the statutes of Manitoba for the control and regulation of the marketing of milk in Manitoba.

Milk Pool Fund -

(a) Selling prices - The value of milk sold to processors is determined by its final product use. The Board sets the prices charged to processors except for Class I milk which is set by the Manitoba Milk Prices Review Commission. For purposes of accountability to producers the Board credits income from processor sales to a milk pool fund.

(b) Cost of sales - Income from processor sales in the milk pool fund referred to above is paid to the individual producers based on the quality and quantity of milk shipped. The operation of the milk pool is accounted for in Exhibit B.

Producer Deduction Funds -

Operating expenses - The Board is authorized through provincial statute to deduct fees from producer milk pool payments to cover operating expenses. Such deductions are accounted for separately in Exhibits C, D, E and F.

Office Equipment and Improvements -

Office equipment and improvements are generally valued at cost. Depreciation is provided for on the straight-line basis over an estimated life of 5 years for equipment and the lease term for improvements.

Interest Income - Change in policy

In 1985 the Board changed its policy regarding the allocation of interest income from the investment of surplus cash. Interest income in 1985 was allocated to the Promotional Fund, previously interest income had been allocated to the Milk Pool Administration Fund.

2. General Operating Expense:

	Milk Pool	Board General	Market Sharing Plan	Total
Advertising.....	$ -	$ 2,838	$ -	$ 2,838
Annual meeting.....	-	11,803	-	11,803
Office supplies.....	13,004	7,024	5,873	25,901
Postage and telecommunication	14,038	16,251	8,601	38,890
Staff travel.....	2,677	4,912	13,393	20,982
Sundry.....	5,749	1,142	143	7,034
	$35,468	$43,970	$28,010	$107,448
1984 for comparison.....	$38,441	$39,674	$27,411	$105,526

3. Commitments:

Operating lease for office space at a base rental of $56,520 per annum until March 31, 1987. Annual share of property taxes, maintenance and electrical costs are added to this rental ($24,890 in 1985).

Operating lease for office equipment at $7924 per annum until November 1989.

4. Pension Plan:

Employees of the Board participate in the Manitoba Civil Service Superannuation Board pension plan which is a defined benefit plan. Employee contributions into the plan are matched by contributions from the Board. The Board had no unfunded liability to the plan at July 31, 1985.

5. Elected Members Per Diem and Travel Expenses:

Members are paid a per diem of $123 and the Chairman $170 for time spent at meetings or on business matters of the Board.

	1985	1984
Per diems paid.....	$125,776	$140,532
Travel and other expenses.....	63,429	76,187
	$189,205	$216,719

6. Comparative Figures:

Certain of the 1984 comparative figures in Exhibit E have been reclassified to conform with the current year's presentation.

7. Litigation:

The Board is currently involved in three lawsuits, the outcome of which cannot presently be determined with certainty or the amount involved is not significant.

MANITOBA MILK POOL RESULTS

AUGUST 1984 TO JULY 1985

Total Manitoba Production	262 985 697 L
Shipments from O.M.M.B.	883 494 L
Total Pool	263 869 191 L

	Litres each Class	Value per HL	Net Pool Revenue
Class 1	103 816 501	$51.98	
Class 2	6 521 374	42.57	
Class 2A	10 627 160	41.86	
Class 2B	6 707 072	41.64	
Class 3	50 569 981	37.81	
Class 3A	21 812 633	37.81	
Class 4	4 314 237	38.49	
Class 5	40 912 074	38.32	
Class 6	80 783	37.61	
Class 7	269 883	37.81	
Unsalable	54 899	37.68	
PRODUCTION IN/DE	245 686 597	$44.32	
Less Diversion Costs		.03	
Pool Administration		.05	
PRICE/HL IN/DE		$44.24	$108 643 333.32
INSTITUTIONAL CLASS 3	102 828	$37.80	38 742.85
PRODUCTION OVER/DE CLASS 3	3 068 111	$37.76	1 153 845.71
PRODUCTION OVER/TAP CLASS 3	13 672 034	$37.81	5 290 691.93
Saskatchewan Class 5	431 400	$32.91	14 197.37
Quebec Class 5	24 727	$24.53	6 065.53
TOTAL OVER/TAP	14 128 161	$37.68	5 310 954.83
O.M.M.B.	883 494	$37.81	333 972.12
TOTAL POOL	263 869 191	$43.76	$115 480 848.83
TOTAL POOL 1983/84	262 257 648	$41.50	$108 831 760.80

FLUID AND INDUSTRIAL UTILIZATION SUMMARY

Manitoba Production within TAP		248 857 536 L	100.0000%
Less Litres ineligible for Subsidy:			
Used for C1.1(Fluid-41.7172%)	103 816 501 L		
Plus 5.4% for creams	5 606 090 L	109 422 591 L	43.9700%
Balance for Manufactured Products		139 434 945 L	56.0300%
Manitoba Production Over/TAP		14 128 161 L	

Average Butterfat content 3.63844 kg/HL in Manitoba Production.

MANITOBA MILK PRODUCTION
AUGUST 1, 1984 - JULY 31, 1985
(IN MILLIONS OF LITRES)

	Total Volume	Total Previous Year	Percent Change
1984			
August	21.54	21.11	+2.05%
September	21.38	20.63	+3.63%
October	22.01	20.95	+5.05%
November	21.46	20.44	+4.96%
December	22.97	21.82	+5.26%
1985			
January	23.33	22.52	+3.59%
February	20.87	21.32	-2.12%
March	22.78	22.98	-0.88%
April	21.70	22.33	-2.83%
May	22.53	23.01	-2.08%
June	21.38	22.44	-4.75%
July	21.05	21.95	-4.09%
	263.00	261.50	+0.57%

MILK PRODUCTION

For the first half of the dairy year milk production was up over the same period one year ago. However, for the balance of the dairy year, due to TAP cuts in January and February 1985, to bring provincial production closer in line with provincial Market Share Quota, milk production decreased as compared to the previous year. More detailed information can be found under "Review of Milk Production and Marketing".

PRICES PAID BY PROCESSORS FOR EACH CLASS OF UTILIZATION
($/cents per hectolitre)

	June 1982	October 1982	June 1983	October 1983
Class 1	*46.03	**46.33	46.33009	46.33009
Class 2	37.05	38.48	39.36	40.50
Class 2A	36.34	37.77	38.65	39.79
Class 2B	36.12	37.55	38.43	39.57
Class 3	32.35	33.76	35.15	36.28
Class 4	33.03	34.44	35.83	36.96
Class 5	33.25	34.69	35.33	36.47
Class 6	32.35	33.76	35.15	36.28

	June 1984	October 1984	June 1985	September 1985
Class 1	51.00	51.00	53.00	53.00
Class 2	41.77	42.59	42.59	43.81
Class 2A	41.06	41.88	41.88	43.10
Class 2B	40.84	41.66	41.66	42.88
Class 3	37.06	37.88	37.88	38.63
Class 3A	-	37.88	37.88	38.63
Class 4	37.74	38.56	38.56	39.31
Class 5	37.50	38.32	38.32	39.23
Class 6	37.06	37.88	37.88	38.63
Class 7	-	37.88	37.88	38.63

* $46.02859 - June 1982
** $46.33009 - October 1982

	Producer Price per HL	Producer Price with CDC Subsidy less CDC Levies
June 1977	$24.13	$25.77
October 1977	25.13	26.40
June 1978	25.52	27.30
September 1978	26.22	27.72
June 1979	27.18	29.00
September 1979	27.99	29.52
June 1980	30.47	32.20
September 1980	31.54	33.24
June 1981	34.05	35.96
September 1981	37.23	38.68
June 1982	38.39	39.99
September 1982	39.64	40.55
June 1983	39.87	40.50
September 1983	40.89	41.21
June 1984	42.94	43.34
September 1984	43.43	43.83
June 1985	44.39	44.63
September 1985	45.05	45.19

ASSESSMENTS AND LEVIES

The deductions made on payments to producers for marketing costs are currently as follows:

1. Transportation - variable rates according to volume and distance.
2. Milk Pool Administration - 12 cents per HL.
3. Board Operation - 19.4 cents per HL (Manitoba Regulation 174/84).
4. Northern Equalization - 2.74 cents per HL (Manitoba Regulation 85/82)
5. Dairy Promotion - 50 cents per HL on milk production (Man. Reg. 121/85)
   - 2 cents per kg B.F. on farm-separated cream deliveries (Manitoba Regulation 211/85)
6. Market Share Quota Administration - 14 cents per HL on industrial milk utilization. 3.9¢ per kg B.F. on cream deliveries (Man. Reg. 160/84)
7. Canadian Dairy Commission levies to dispose of surplus stock:
   - Within quota levy level I - $5.14 per HL on industrial milk up to 98% of a milk producer's T.A.P.
     level II - $30.00 per HL on industrial milk between 98% to 100% of a milk producer's T.A.P.
   - Over-quota levy level I - $30.00 per HL on the first 1% of production over T.A.P. year to date.
     level II - $38.00 per HL on production that exceeds the first 1% over T.A.P. year to date.
   - Holdback from subsidy - 30.15 cents per HL on Class I volume (Fluid Skim-off Levy)

FEDERAL DAIRY PRODUCT SUPPORT PRICES
($/cents per kilogram)

	Skim Milk Powder	Butter	Cheddar Cheese
January 1, 1980	$1.97	$3.26	$1.32
April 1, 1980	2.01	3.34	1.32
August 1, 1980	2.13	3.51	1.32
January 1, 1981	2.20	3.63	1.32
April 1, 1981	2.28	3.78	1.32
August 1, 1981	2.37	3.95	1.32
January 1, 1982	2.46	4.13	1.32
April 1, 1982	2.50	4.17	1.32
August 1, 1982	2.59	4.33	1.32
January 1, 1983	2.61	4.38	1.32
April 1, 1983	2.65	4.42	1.32
August 1, 1983	2.72	4.55	1.32
January 1, 1984	2.74	4.60	1.32
April 1, 1984	2.79	4.71	1.32
August 1, 1984	2.85	4.784	1.32
August 16, 1985	2.922	4.929	1.32

FEDERAL SUBSIDIES PAYABLE ON INDUSTRIAL MILK DELIVERIES WITHIN M.S.Q.
($/cents per unit)

	Milk HL	Butterfat kg
April 1, 1974	$5.22	$1.449
June 1, 1974	5.81	1.612
April 1, 1975	6.03	1.676
April 1, 1976	6.03	1.676
April 1, 1977	6.03	1.676
April 1, 1978	6.03	1.676
August 1, 1979	6.03	1.676
August 1, 1980	6.03	1.676
August 1, 1981	6.03	1.675
August 1, 1982	6.03	1.675
August 1, 1983	6.03	1.675
August 1, 1984	6.03	1.675
August 1, 1985	6.03	1.675

COMPARISON OF CLASS I SALES

FOR 12 MONTH PERIOD - AUGUST 1, 1984 - JULY 31, 1985

(IN MILLIONS OF LITRES)

1984	Total Current Period HL	Total Previous Period HL	Percentage Change
August	8.83	8.55	+3.27
September	8.21	9.08	−9.58
October	9.14	8.80	+2.58
November	9.08	8.71	+4.25
December	8.44	8.91	-5.27
1985			
January	9.03	8.87	+1.80
February	8.21	8.32	-1.32
March	8.75	9.04	-3.20
April	8.78	8.36	+5.02
May	9.09	8.78	+3.53
June	8.08	8.32	-2.88
July	8.18	7.96	+2.76
	103.82	103.70	+0.12

BREAKDOWN OF SALES AND MANUFACTURE OF DAIRY PRODUCTS WITHIN FLUID PLANTS DURING THE PERIOD AUGUST 1983 TO JULY 1985

SALES	1984 - 1985		1983 - 1984	
	Litres in 000's	%	Litres in 000's	%
Class I				
- Homogenized and Special	31 662	30.50	33 593	32.50
- Partly Skimmed	60 548	58.32	59 484	57.56
- Skim	7 335	7.07	6 263	6.06
- Buttermilk	844	.81	914	.88
- Chocolate (90%)	3 428	3.30	3 095	3.00
Total Class I	103 817	100.00	103 349	100.00
Class II				
- Cereal and 18% Cream	2 127	46.00	2 524	50.17
- Whipping	872	18.85	837	16.63
- Salad/Sour	1 626	35.15	1 670	33.20
Total Class II	4 625	100.00	5 031	100.00

MANUFACTURE	1984 - 1985	1983 - 1984
Class IIA	Litres in 000's	Litres in 000's
- Cottage Cheese, including Dressing and Starter, Spread Cheese	8 752	9 153
- Yogurt	1 567	1 427
- Egg Nog	514	495
Class IIB		
- Ice Cream, Ice Milk, Milkshake and Sherbet Mixes	6 305	6 255

Manitoba Regulation 211/85

Being Manitoba Regulation 2/85 of The Manitoba Milk Producers' Marketing Board Made Under The Manitoba Plan for Milk Market Sharing Being Manitoba Regulation 241/74 and The Natural Products Marketing Act

(Filed September 19, 1985)

INDUSTRIAL MILK (CREAM) SERVICE CHARGES PROMOTION REGULATION

1. A service charge is imposed on each producer of industrial milk of 2 cents per kilogram of butterfat in respect of all industrial milk sold and delivered by him to a processor in the form of cream.

2. The service charge imposed by this regulation shall be due and payable by the producer to this Board at the time and place of marketing of the industrial milk in the form of cream by the producer to a processor. Each such processor, before making payment to the producer, shall deduct from the total amount payable to such producer for such industrial milk, the service charges levied by this regulation, and shall pay any amounts so deducted to this Board no later than the 15th of the month following the month in which the deductions are made.

3. Manitoba Regulation 152/85 is repealed.

IN WITNESS WHEREOF the Seal of The Manitoba Milk Producers' Marketing Board is hereon impressed, duly attested by the hands of its proper officers in that behalf on the 27th day of August, 1985.

THE MANITOBA MILK PRODUCERS' MARKETING BOARD
Per:

"Arthur V. Rampton"
Chairman

(S E A L)

"C.W. Vincent"
Secretary

Approved by The Manitoba Natural Products Marketing Council this 16th day of September, 1985.

THE MANITOBA NATURAL PRODUCTS MARKETING COUNCIL
Per:

"Maud Lelond"
Vice-Chairman

(S E A L)

"Gordon H. MacKenzie"
Secretary

Printed by the Queen's Printer for the Province of Manitoba

Manitoba Regulation 152/85

Being Manitoba Regulation 1/85 of The Manitoba Milk Producers' Marketing Board Made Under The Manitoba Plan for Milk Market Sharing Being Manitoba Regulation 241/74 and The Natural Products Marketing Act

(Filed July 3, 1985)

INDUSTRIAL MILK (CREAM) SERVICE CHARGES PROMOTION REGULATION

1. A service charge is imposed on each producer of industrial milk of 2 cents per kilogram of butterfat in respect of all industrial milk sold and delivered by him to a processor in the form of cream.

2. The service charge imposed by this regulation shall be due and payable by the producer to this Board at the time and place of marketing of the industrial milk in the form of cream by the producer to a processor. Each such processor, before making payment to the producer, shall deduct from the total amount payable to such producer for such industrial milk, the service charges levied by this regulation, and shall pay any amounts so deducted to this Board no later than the 15th of the month following the month in which the deductions are made.

3. This regulation shall come into force on the 1st day of June, 1985, or on the day it is filed with the Registrar of Regulations, whichever is the later.

IN WITNESS WHEREOF the Seal of The Manitoba Milk Producers' Marketing Board is hereon impressed, duly attested by the hands of its proper officers in that behalf on the 4th day of April, 1985.

THE MANITOBA MILK PRODUCERS' MARKETING BOARD
Per:

"Arthur V. Rampton"
Chairman

(S E A L)

"C.W. Vincent"
Secretary

Approved by The Manitoba Natural Products Marketing Council this 16th day of May, 1985.

THE MANITOBA NATURAL PRODUCTS MARKETING COUNCIL
Per:

"A.W. Wood"
Chairman

(S E A L)

"G.H. MacKenzie"
Secretary

Printed by the Queen's Printer for the Province of Manitoba

Manitoba Regulation 121/85

Being Regulation 1/85 of The Manitoba Milk Producers' Marketing Board Made Under The Manitoba Milk Producers' Marketing Plan Being Manitoba Regulation 185/84 (Herein Called the "Plan") and The Natural Products Marketing Act

(Filed May 21, 1985)

DAIRY PROMOTION FEES REGULATION AMENDMENT

1. Section 1 of Manitoba Regulation 90/75 as amended by Manitoba Regulation 159/84 is hereby repealed and the following section substituted therefor:

   "1. A fee is imposed on each producer of 50 cents for each hectolitre of milk produced by him."

2. This regulation shall come into force on the first day of June 1985 or on the day it is filed with the Registrar of Regulations, whichever is the later.

IN WITNESS WHEREOF the seal of The Manitoba Milk Producers' Marketing Board is hereon impressed, duly attested by the hands of its proper officers in that behalf on the 4th day of April, 1985.

THE MANITOBA MILK PRODUCERS' MARKETING BOARD
Per:

"Arthur V. Rampton"
Chairman

(S E A L)

"C.W. Vincent"
Secretary

Approved by The Manitoba Natural Products Marketing Council this 16th day of May, 1985.

THE MANITOBA NATURAL PRODUCTS MARKETING COUNCIL
Per:

"A.W. Wood"
Chairman

(S E A L)

"G.H. MacKenzie"
Secretary

Printed by the Queen's Printer for the Province of Manitoba

THE MANITOBA MILK PRODUCERS' MARKETING BOARD
STAFF MEMBERS

DECEMBER 1985

Clarence W. Vincent — General Manager

Jack F. Sinnock	— Controller
R. L. Seekings	— Administrative Secretary
Arthur D. Meadows	— Analyst
Alan S. Forrest	— Supervisor, Data Processing
Olga Komoski	— Programmer, Data Processing
Enrique M. Magat	— Audit Accountant
Marilyn E. Adam	— Director, Fluid Milk Promotion
Patricia A. McCarthy	— Director, Nutrition Education
Audrey J. Gale	— Director, School Milk Program
Bette-Lea Fraser	— Co-ordinator, School Milk Program
Wayne R. English	— Supervisor, Producer Relations
Raymond M. Rudy	— Supervisor, Transportation
John R. Breckman	— Dispatcher, Transportation
Karen A. Bergmann	— Clerk-Typist
Dorothy Foulkes	— Receptionist
Marion M. Burgess	— Key Punch Operator (part-time)
Dorothy C. Schade	— Nutritionist (part-time)